GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

STARRED QUESTION NO:262
ANSWERED ON:04.12.2007
SHARE OF SMALL SCALE INDUSTRIES
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the share of micro, cottage and small scale industries in the total industrial production of the country during each of the last three years and current year, separately, State and Union Territory-wise;

(b) whether any financial assistance is given by the Government to these industries to increase their share in the industrial production;

(c) if so, the details thereof during each of the last three years and in the current year, State and Union Territory-wise; and

(d) the further steps taken by the Government to increase their share?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in the reply of parts (a) to (d) in respect of the Lok Sabha Starred Question No.262 for answer on 04.12.2007

(a): The share of the micro and small enterprise (MSE) sector in the total manufacturing output of the country during 2003-04, 2004-05 and 2005-06 (latest available) is estimated to be 38.74%, 38.62% and 38.56% respectively. State/UT-wise shares in the total manufacturing output are not maintained centrally.

(b) & (c): Financial assistance is provided to the MSE sector to increase their share in industrial production under the following schemes implemented by the Ministry of Micro, Small and Medium Enterprises:

1. Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Upgradation;
2. Micro and Small Enterprises Cluster Development Programme (MSECDP);
3. Scheme of Fund for Regeneration of Traditional Industries (SFURTI);
4. ISO-9000/ISO-14001Certification Reimbursement Scheme;
5. Development of Production Infrastructure Scheme;
6. Performance and Credit Rating Scheme; and
7. Scheme for Reimbursement of Bar Code Certification.

The State/UT-wise financial assistance provided during the last 3 years and current year under these schemes (wherever available) are given in Annexures I to VII.

(d): The programmes/schemes of the Ministry of MSME are primarily meant for increasing the productivity and share of MSME sector in the total manufacturing output among these, the following recent initiatives taken for the promotion and development of MSEs are noteworthy:

(i) Policy Package for Stepping up Credit to Small and Medium Enterprises with the objective to double the credit flow to this sector in a period of 5 years;

(ii) Enactment of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to facilitate promotion and development of MSMEs and enhancement of their competitiveness;

(iii) According priority to the Cluster-based approach for holistic and integrated development of the MSE sector;

(iv) Initiating the National Manufacturing Competitiveness Programme (NMCP) to address the technology, marketing and skill upgradation needs of the MSME sector; and

(v) Undertaking a Package for Promotion of MSEs which comprises of the proposals/schemes having direct impact on the promotion and development of the MSEs.